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December 29, 2004

CERTIFIED MAIL

James I. Palmer, Jr., Regional Administrator
USEPA Region 4
Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA. 30303-8909

Re: South Carolina State Implementation Plan Revision – Early Action Compact SIP

Dear Mr. Palmer:

On July 19, 2002, the United States Environmental Protection Agency (EPA) endorsed a protocol for developing voluntary 8-hour ozone Early Action Compacts (EACs). EPA's stated purpose for the EAC process is to provide local areas with flexibility to control air emission from their sources and offer a means to achieve cleaner air sooner than the Clean Air Act requires. Only areas that are attaining the 1-hour ozone standard are eligible to participate in the EAC process. The compact requires these areas to attain the 8-hour ozone standard by December 31, 2007, a date that is sooner than would otherwise be required through the traditional nonattainment designation process. The compacts include all necessary elements of a comprehensive air quality plan, but are tailored to local needs and driven by local decisions. As a result of an area's participation, the EAC process calls for EPA to recognize the area's commitment to early action by provisionally deferring the effective date of the nonattainment designation. The deferral of the effective date of the designation is contingent upon the participating area's meeting all terms and key milestones of the compact. Further, the process provides for "fail-safe" provisions for the area to revert to the traditional process if specific milestones are not met.

In December 2002, the South Carolina Department of Health and Environmental Control (Department) entered into compacts with EPA and local governments for the purpose of bringing cleaner air sooner to the citizens of South Carolina. Since that time, the Department has been meeting with local governments, industry representatives, environmental groups, and other interested parties, in an effort to develop state and local control strategies to reduce ozone precursors as part of our commitment under the compacts.

The Department tackled these requirements from many different perspectives. First, the Department met regularly with the local EAC areas to consult with them and provide them with assistance on developing their local plans. Second, the Department formed stakeholder groups and conducted monthly meetings in an effort to develop state-wide regulations to achieve additional reductions in ozone precursors to support the EAC process. In addition, the Department worked with several major NO_x emission sources in critical areas to seek agreements for additional source specific NO_x reductions. Also, in an effort to garner further support for the process from our state legislature and other state agencies, the Department worked successfully to get a concurrent resolution passed endorsing the process. Finally, the Department has conducted interagency meetings between air

quality and transportation officials to develop a Smart Highways checklist to be used in transportation planning.

The Department believes that the sum of all these efforts will have a very real and positive impact on the health and environment of South Carolina. The EAC process has allowed the state of South Carolina to achieve reductions in ozone precursors from a variety of sources that otherwise would not have occurred and this was all done on a timeframe that was sooner than what would be required through the traditional nonattainment designation process. In addition, as a result of the local EAC plans and local efforts, awareness of air quality issues has been raised to a level that would not have been possible without the EAC process. People from around the state, who have never previously had any significant exposure to air quality issues, have participated in the EAC process and helped make decisions about improving air quality. This is perhaps, above all else, the reason why the South Carolina Wildlife Federation chose to honor the "SCDHEC Early Action Compact SIP" with their 2005 South Carolina Wildlife Federation Air Conservation Award, an award that has only been bestowed six times since 1970.

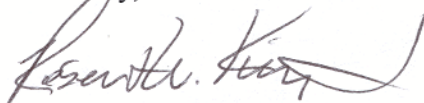
In accordance with the EAC process, on March 31, 2004, the Department submitted the final local early action plans to EPA. Based on this submittal and the EAC areas' continuing efforts, EPA published the first deferral of the effective date of the nonattainment designations on April 30, 2004. This final rule defers the effective date of nonattainment designations until September 30, 2005. In accordance with the compact requirements, the Department is providing the attached document to fulfill its commitment to submit a final EAC SIP by December 31, 2004, consisting of local plans, all adopted control measures, and a demonstration that the areas will attain the 8-hour ozone standard by December 31, 2007. Therefore, the Department hereby submits the attached SIP revision for your final review and approval.

1. As part of the EAC process, the Department promulgated amendments to Regulation 61-62, *Air Pollution Control Regulations and Standards*, by adding a new regulation, 61-62.5, Standard 5.2, *Control of Oxides of Nitrogen (NO_x)*, and revising an existing regulation, 61-62.2, *Prohibition of Open Burning*. The final regulations became effective upon publication in the *South Carolina State Register* on June 25, 2004. A copy of the notice of final regulation from the *South Carolina State Register* is provided as Attachment 1. While these regulations are not needed to demonstrate attainment with the 8-hour ozone standard and the Department is not taking SIP credit for the emission reductions, the Department is requesting that they be incorporated into the regulatory portion of the South Carolina SIP to demonstrate its strong commitment to the EAC process.
2. The above-referenced regulations along with the local plans, all other adopted control measures, and a demonstration that the EAC areas will attain the 8-hour ozone standard by December 31, 2007 form the basis of the EAC SIP revision. A copy of the final EAC SIP revision is provided as Attachment 2.
3. The Department published a notice in the *South Carolina State Register* on October 22, 2004, announcing its intent to revise the SIP and inviting interested parties to provide comment and attend a public hearing. A copy of this notice is provided as Attachment 3.
4. A public hearing on the proposed EAC SIP was conducted on November 22, 2004. A verbatim court reporter was present to take the record. Transcripts from the public hearing and a list of those in attendance are provided as Attachment 4.

5. South Carolina has the necessary legal authority to adopt and implement this revision to its SIP. Section 2 of our EPA-approved SIP defines the necessary statutory powers. A copy of South Carolina's legal authority is provided as Attachment 5.

Due to the volume of this SIP revision, a single hard copy will be forwarded directly to your Air Planning Branch. Electronic copies will be provided and the entire document will be posted on our website at www.scdhec.net/baq as well. Please feel free to contact Heather Preston of the Bureau of Air Quality at (803) 898-4287, should you have any questions or need any additional information.

Sincerely,



Robert W. King, Jr., P.E.
Deputy Commissioner
Environmental Quality Control

cc: Beverly Banister, Director, Air Pesticides & Toxics Management Division, USEPA Region 4 (letter only)

Myra Reece, Chief, Bureau of Air Quality, SCDHEC (letter only)

Renee Shealy, Director, Division of Air Planning, Development and Outreach, SCDHEC (letter only)

Kay Prince, Chief, Air Planning Branch, USEPA Region 4 (w/attachments)

Attachments

1. Notice of Final Regulation as published in the *South Carolina State Register* on June 25, 2004
2. Final EAC SIP revision
3. Public Hearing Notice as published in the *South Carolina State Register* on October 22, 2004
4. Transcripts and attendance list from the November 22, 2004 Public Hearing
5. South Carolina Legal Authority – Excerpt from EPA approved SIP